

EMERGENCY MEASURES FOR LAID OFF WORKERS

Hundreds of thousands of workers have lost their jobs. Hundreds of thousands more will follow. The job loss crisis confined largely to manufacturing, up to now, is becoming economy wide, as the fallout from bursting speculative bubbles, spreads to sectors as diverse as construction, retail, resources and hospitality.

Workers who are forced out of their jobs are clearly not at fault. But they will find it incredibly difficult to find other jobs. They will be forced into unemployment for longer periods of time and without even the minimal level of EI support that was available in the last recession. As the crisis deepens many will lose their benefits, part of their pensions and their homes. For older workers the prospects are especially bleak.

Workers need emergency relief. The impending labour market crisis is overshadowed by headlines on market volatility, credit default swaps and financial institution bailouts. But that makes it no less real.

The growing threat now is a rapid rise in unemployment and falling wages. In a financial crisis there are two things to guard against. One is failing businesses; the other, is the growing casualty list of victimized workers in hard-hit communities.

In Canada, the responsibility of supporting laid off workers is partially federal and partly provincial. But for the most part, when it comes to workers who are losing their jobs in this crisis, it is business as usual. Laid off workers, face the same inadequate financial supports, the same unfair rules, the same hurdles and obstacles, and the same punitive attitudes of penalties and clawbacks, as they did in economic good times.

The risks workers face are not business as usual. Neither, should be the response of governments.

Governments are being forced to shift their thinking on many economic fronts. Equivalent shifts are required in their approach to protecting workers caught in the crisis.

In the short term, we need emergency measures that protect workers who are losing their jobs, incomes, pensions and homes. Central to such a commitment is sustained income support and a renewed EI system in which workers qualify easier and are entitled to longer periods of support at higher benefit levels.

Over the last decade or so, successive federal governments have used billions of dollars of revenue from EI premiums for all sorts of different initiatives, from the funding of programs to deficit reduction.

In this crisis the government needs to put more unemployment insurance money back into the pockets of laid off workers. In this crisis there needs to be emergency action on other fronts such as protecting laid off workers against foreclosures. And in this crisis provincial governments have to do much more to support unemployed workers.

Workers need severance pay when they're dumped from their jobs. They need pension guarantees when their employers go under. They need good adjustment programs and income support when they are in training. And they need the prospect of another job.

The CAW calls on Federal and Provincial governments to introduce the following measures to support laid off workers, their families and communities:

1. Extended EI and other Income support:

- A suite of reforms that reduce the number of hours required to qualify, extend the duration of benefits, increase the benefit level, eliminate the waiting period, and ends the clawback of severance pay.
- More flexible use of EI to keep people at work through Worksharing opportunities and innovative arrangements such as on-and-off work shifts.
- Special income support program for older workers.

2. Better severance pay provisions:

- Introduction of severance pay legislation with severance pay guarantees in jurisdictions all across the country.

3. Enhanced income protection in bankruptcies and insolvencies:

- New legal priority for all monies owing workers.

4. Foreclosure protection against falling prices:

- Federal agencies must provide emergency refinancing assistance to families.
- Banks must be prohibited from evicting Canadians from their homes.

5. Labour laws that require employers to negotiate and fund adjustment programs for laid off workers.

6. Provincial governments to introduce and/or expand adjustment programs including funding for Action Centres staffed with co-workers.

7. Access and support for Training:

- Governments should launch a major "human infrastructure" program to provide basic skills, ESL (English/French as a Second Language) and high school completion programs to laid-off workers.
- Government to introduce adequate

income supports for a broad range of training initiatives.

8. Pension protection:

- Introduce Pension Guarantee Funds, such as exists in Ontario, in those jurisdictions which don't have them.
- Substantially increase the level of pension income that is guaranteed by the Fund.
- Protect benefit security in the event of short term funding relief for plan sponsors.

9. Benefit Protection:

- Employers required to provide 6 month extended coverage for employer paid benefits.
- Governments to introduce an extended benefit plan to provide coverage in the event of bankruptcies and insolvencies.

10. Public notice and justification of closures and lay-offs:

- Employers required to justify lay-offs.
- Governments to intervene to explore alternatives to lay-offs and to provide financial assistance.

Workers need jobs. We need good jobs with decent wages, benefits and pensions. In the longer term that will require governments committed to a different economic model than the one which caused this chaos. It will require major commitments to public investment, fair trade rules, domestic purchasing, renewable energy, infrastructure support and community and sectoral development strategies. But in the meantime workers who are losing their jobs need an urgent response to a crisis which is serious and pressing.

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